

Message Text

SECRET

PAGE 01 NAIROB 01024 251358Z

ACTION AF-08

INFO OCT-01 EUR-12 ISO-00 PM-04 NSC-05 SP-02 SS-15 L-03
AID-05 CIAE-00 INR-07 NSAE-00 DODE-00 OMB-01 TRSE-00
/063 W

-----251404Z 037216 /53

R 251320Z JAN 77

FM AMEMBASSY NAIROBI
TO SECSTATE WASHDC 5583
INFO AMEMBASSY BONN
AMEMBASSY LONDON
AMEMBASSY OTTAWA
AMEMBASSY PARIS
USCINCEUR

S E C R E T NAIROBI 1024

E. O. 11652: XGDS-1

TAGS: MASS, MILI, KE, US, FR, GW, UK, CA

SUBJ: CURRENT STATUS OF KENYA ARMED FORCES MODERNIZATION
AND EXPANSION PROGRAM

REF: NAIROBI 7703 (NOTAL)

1. THIS MESSAGE UPDATES REFTEL REPORT ON STATUS OF KENYA'S
ARMED FORCES MODERNIZATION AND EXPANSION PROGRAM. PROGRAM,
WHICH NOW LIKELY TO COST TOTAL OF \$400 MILLION (OF WHICH \$250
MILLION WOULD BE IN FOREIGN EXCHANGE), IS TARGETTED FOR
COMPLETION IN ABOUT FOUR YEARS. PROGRAM WILL INVOLVE EX-
PANSION OF ARMED FORCES BY TOTAL OF 6,000 MEN. ARMY WILL
ADD TWO BATTALIONS TO PRESENT FOUR BATTALIONS. SIGNIFICANT
INCREASES ARE ALSO BEING MADE IN MANPOWER AND EQUIPMENT OF
AIR FORCE, NAVY AND PARAMILITARY GENERAL SERVICES UNIT.

2. DEFENSE MINISTRY PERMSEC KIEREINI HAS ADVISED DCM THAT
GOK DECISIONS RE SOURCES OF SUPPLY FOR EQUIPMENT REQUIRE-
MENTS OF MODERNIZATION PROGRAM ARE NOW QUITE FIRM, ALTHOUGH
SECRET

SECRET

PAGE 02 NAIROB 01024 251358Z

FURTHER CREDIT ARRANGEMENTS REMAIN TO BE NEGOTIATED WITH
UNITED KINGDOM AND GERMANY. APPROXIMATE VALUE OF PURCHASES
GOK INTENDS TO MAKE FROM EACH OF FIVE SUPPLIER COUNTRIES IS
AS FOLLOWS:

UNITED KINGDOM \$112 MILLION
UNITED STATES 69 MILLION

FRANCE	30 MILLION
CANADA	29 MILLION
GERMANY	10 MILLION

TOTAL \$250 MILLION

FOLLOWING PARAS SUMMARIZE CURRENT STATUS OF GOK PROCURE-
MENT ARRANGEMENTS WITH EACH OF ABOVE-MENTIONED COUNTRIES.
SINCE NAIROBI EMBASSIES OF COUNTRIES CONCERNED WERE SOURCES
OF MUCH OF THIS INFORMATION, IT SHOULD BE TREATED "NOFORN".

3. UNITED KINGDOM. UK HAD PREVIOUSLY COMMITTED ITSELF TO
PROVISE COMMERCIAL CREDITS TOTALING 39 MILLION POUNDS (ABOUT
\$70 MILLION) TO FINANCE GOK PURCHASES OF MILITARY EQUIPMENT.
TERMS ARE 90 PERCENT CREDIT REPAYABLE OVER SEVEN-YEAR PERIOD
FROM DELIVERY WITH MINIMUM INTEREST RATE OF SEVEN AND ON-HALF
PERCENT. (ITEMS TO BE PURCHASED WITH THIS CREDIT WERE REPORTED
REFTEL.) DURING RECENT MID-JANUARY VISIT OF BRITISH DEFENSE
MINISTER, GOK OFFICIALS ASKED UK FOR ADDITIONAL CREDIT OF
25 MILLION POUNDS (ABOUT \$42 MILLION) TO FINANCE FURTHER
PURCHASES INCLUDING A THIRD SQUADRON OF VICKERS MAIN BATTLE
TANKS AND ARMORED RECOVERY VEHICLES.

4. UNITED STATES. TOTAL CONTRIBUTION OF US TO PRESENT
KENYAN PROGRAM IS EXPECTED TO BE LIMITED MAINLY TO TRAINING
AND SQUADRON OF 10 F-5E AND TWO F-5F AIRCRAFT, WHICH, WITH
SUPPORTING EQUIPMENT AND TRAINING, IS EXPECTED TO COST ABOUT
\$69 MILLION TO BE FINANCED BY FMS CREDIT, SUBJECT TO AVAIL-
ABILITY OF FMS FUNDS IN COMING FISCAL YEARS. HOWEVER, GOK
SECRET

SECRET

PAGE 03 NAIROB 01024 251358Z

HAS NOT GIVEN UP IDEA OF SEEKING SQUADRON OF A-4'S ABOUT
THREE YEARS FROM NOW WHEN THE SQUADRON OF F-5'S WILL PRE-
SUMABLY BE FULLY OPERATIONAL.

5. FRANCE. FOLLOWING PRESIDENT GISCARD D'ESTAING'S APPROVAL
OF "POLITICAL TERMS" FOR CREDIT TO FINANCE SALE TO KENYA OF
FRENCH MILITARY EQUIPMENT, GOK CONTRACTED TO PURCHASES HELI-
COPERS, RADIO EQUIPMENT, AND ONE SQUADRON OF LIGHT ARMORED
PANHARD CARS WORTH TOTAL OF 140 MILLION FRANCS (ABOUT \$30
MILLION). CREDIT WILL BE REPAYABLE OVER PERIOD OF SEVEN
YEARS WITH INTEREST RATE OF 8-9 PERCENT.

6. CANADA. CANADA AND GOK ARE ABOUT TO SIGN FINAL AGREE-
MENT FOR GOK PURCHASE OF FOUR BUFFALO TRANSPORT AIRCRAFT
FOR \$26 MILLION, AND RADIO DIRECTION FINDER EQUIPMENT WORTH
\$3 MILLION. REPAYMENT WILL BE OVER 10-YEAR PERIOD WHICH
INCLUDES TWO-YEAR GRACE PERIOD. INTEREST RATE WILL BE MIX
OF 9 PERCENT FIXED RATE AND FLUCTUATING RATE REFLECTING
COST OF MONEY TO CANADIAN GOVERNMENT AT TIMES OF CREDIT

DRAWINGS. FIRST BUFFALO IS TO BE DELIVERED IN KENYA IN
FEB 1977. PACKAGE INCLUDES COST OF TRAINING 10 KENYAN AIR
FORCE PILOTS IN CANADA AND U.S.

7. GERMANY. GOK HAS ALREADY UTILIEZED THREE MILLION MARK
RANT FROM FRG TO PURCHASE 48 MERCEDES-BENZ TRUCKS FOR KENYA
ARMY. FRG RECENTLY GAVE KENYA ADDITIONAL 4.4 MILLION MARK
GRANT TO FINANCE ACQUISITION OF RADION EQUIPMENT FOR USE OF
PARAMILITARY GENERAL SERVICES UNIT. GOK HAS ALSO PURCHASED
WITH PRIVATE GERMAN CREDITS SIX SKYSERVANT TRANSPORT AIRCRAFT
WORTH ABOUT 10 MILLION MARKS. FINALLY GOK IS EXPECTED TO
PURCHASE AT LEAST 100 MORE MERCEDES-BENZ TRUCKS FOR ARMY,
ALSO TO BE FINANCED PRIVATELY.
MARSHALL

SECRET

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY BUILDUP, DEVELOPMENT PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977NAIROB01024
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Expiration:
Film Number: D770026-0990
Format: TEL
From: NAIROBI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770121/aaaaaxy.tel
Line Count: 130
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4f6f9ed1-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: 77 NAIROBI 7703
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3511498
Secure: OPEN
Status: NATIVE
Subject: CURRENT STATUS OF KENYA ARMED FORCES MODERNIZATION AND EXPANSION PROGRAM
TAGS: MASS, MILI, KE, US, GE, CA
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/4f6f9ed1-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009